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ABSTRACT

School-based enterprise (SBE) is a hands-on educational program in which students create and manage a business in their community. SBE programs address two general concerns about education today--lack of student motivation and the need for schools to teach students the skills to survive in and contribute to their communities. SBE makes the learning situation more relevant since it is based in the real world of work. Rural communities benefit as students create new jobs that contribute to economic revitalization. To start their own business, students must assess the community to determine what business would be viable, develop a business plan, find loans and financing, begin operations under adult supervision, and evaluate outcomes. Students often take a 2-year SBE core curriculum, which includes a course in small business management. REAL Enterprises, sister organizations in southeastern states that foster SBE programs, have found that projects run more smoothly if students start small, adequate teacher support is available, curriculum guidelines are established, ongoing adult supervision is provided, community support is secured, and supervisors and sponsors refrain from being overly helpful or from "rescuing" projects in trouble. This paper contains 14 references. Appendices summarize SBE program objectives, list "dos" and don'ts" for project success, and briefly describe 25 projects in North Carolina, South Carolina, and Georgia. (SV)

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Rural School-Based Enterprise: Promise and Practice in the Southeast

Southeastern Educational Improvement Laboratory
Kären Nelson Baker

Fall 1990

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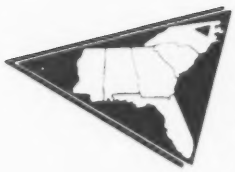

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EXECUTIVE SUMMARY

School-based enterprise (SBE) is an innovative educational program in which students plan and run their own real-life businesses. This hands-on, community-based curriculum teaches students to create their own jobs so they can remain in their communities after graduation. Thus, school-based enterprises are integrated into the curriculum of the school and into the economy of the area. The paper discusses the merits of school-based enterprise and the process of implementation and describes most of the sites in the Southeast.

Educational Perspective

From an educational point of view, school-based enterprise is a way of taking students out of traditional classroom settings and providing them with hands-on learning. For some students, this makes the learning situation more relevant since it is reality- (i.e., real-world work) based. To start their own business, students must assess the community to determine which businesses will be viable, develop a business plan to outline how their business will function, and find loans and financing to support their proposal. Once they launch the business, the students run it with the help of an adult manager. This process creates possibilities for rich interaction between curriculum and real life. Students often take a two-year SBE core curriculum, consisting of a one-year course in enterprise, including the choice of a business and the production of a business plan, and a one-year course in small business management, to be taken simultaneously with business start-up.

Rural Economic Development Perspective

School-based enterprise is also a means of rural development. The two pillars of the southern economy, textile manufacture and tobacco monoculture, have declined recently. Sometimes service or high-technology industries have filled the gap, but often the result has been simple stagnation. Migration from rural areas and small towns to cities is endemic, because few opportunities remain outside of these cities. But many rural students find that jobs in the cities are entry level and dead-end, as well. School-based enterprise programs break these vicious cycles by teaching students to be creators of new jobs, rather than applicants for jobs that no longer exist or are insufficient for their needs and aspirations.

What Has Been Learned So Far?

Currently, school-based enterprise sites exist in three southeastern states: 8 in Georgia, 14 in North Carolina, and 14 in South Carolina. One business, the Way-Off Broadway Deli in St. Pauls, North Carolina, was purchased from the incubating school by four recent graduates, but this business recently was closed. Many lessons have been learned from each of the enterprises, the least successful as well as the most successful. This paper describes some of these lessons, including ways to reduce burdens on teachers and ways to support the fledgling enterprises.

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SCHOOL-BASED ENTERPRISE AS A PROMISING PRACTICE

School-based enterprise is an innovative educational program in which students plan and run their own real-life businesses. This community-focused curriculum teaches students to create their own jobs so that they can remain in their communities after graduation. In this way, school-based enterprises are integrated into the curriculum of the school and into the economy of the area.

Currently, the REAL Enterprises Federation* promotes the school-based enterprise concept in Georgia, North Carolina, and South Carolina. A total of 36 pilot sites have been or are in the process of being established in school districts throughout the three states: 8 pilot sites in Georgia, 14 in North Carolina, and 14 in South Carolina. Examples of functioning businesses based in southeastern schools include restaurants, day-care centers, and a screen printing service. States outside of the southeastern region, including South Dakota and Arkansas, also are considering or already operating school-based enterprise programs.

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*REAL Enterprises, formerly an acronym for Rural Education through Active Learning and now interpreted as Rural Entrepreneurship through Active Learning, was originally conceptualized by Jonathan Sher. The organization was started in Georgia by Paul Delargy, working with Jonathan Sher, as an organization devoted to fostering school-based enterprise. REAL Enterprises now has sister organizations in North Carolina and South Carolina. In North Carolina, REAL Enterprises is drawing closer to a contractual relationship with the State Department of Public Instruction. The South Carolina REAL Enterprises was originally formed as an economic development branch of the Office of the Governor but is now moving towards private nonprofit status. The Georgia REAL Enterprises is located in Athens at the Small Business Development Center and is affiliated with the Community Education Department.

Purpose of This Paper

This paper describes the potential of school-based enterprises as a promising practice and the lessons learned from some of the first enterprise sites. The paper highlights two problems in educational reform that school-based enterprise may address: lack of student motivation and lack of relevance of the subject matter that they are asked to learn. It will be argued that the existence of these problems prevents schools from attaining a major aim of education, namely, to produce citizens who can contribute to the general welfare. After they graduate, many students are unwilling or unable to contribute to their communities. School-based enterprise programs are suggested as one possible remedy, because they can both improve education for the individual and teach students the skills they need to survive in and contribute to their communities.

The paper describes one enterprise, the Way-Off Broadway Deli, in considerable detail and then discusses each stage in the implementation of a school-based enterprise program, using examples from all three states. Reasons why some school-based enterprise programs have not always been as successful as hoped are presented, as well as some general lessons that teachers, administrators, and REAL Enterprises staff have learned from the first school-based enterprises. Finally, several existing and former school-based enterprise sites in the Southeast are described in an appendix.

Background of the Problem

School-based enterprise programs address two general concerns about education today. The first concern is that students are not sufficiently motivated to learn and, hence, do not learn what schools are trying to teach

them. The second concern is that schools may not actually teach skills that students need to survive in and contribute to the modern world.

Fundamentally, these two problems and their interrelated solutions reflect a dual view of the nature and goals of education--i.e., that schools should 1) empower the individual and 2) promote the general welfare. Schools are expected to empower individuals by teaching them to master basic skills for survival (i.e., literacy, numeracy); to master technical skills as needed; to integrate higher-order thinking into their repertoire of skills; to earn a living; and to cope socially. Schools also are expected to increase the welfare of all by producing both an electorate and a work force that have the skills and knowledge they need to contribute to the political and economic order.

Students' lack of motivation to learn can be a symptom of students' lack of empowerment. Bored and alienated students disrupt classroom order, or they simply tune out. The standard repertoire of teacher threats and enticements (disciplinary action, grading, etc.) does little to motivate these students, except perhaps in the immediate short term. These students have little faith that schooling is valuable to them or that it will increase their autonomy or opportunities. Viewing school as unimportant and rejecting the values it promotes, many students turn to the youth culture and its alternate set of values. High dropout rates, drug abuse, and teenage pregnancy are indicators of the failure to provide meaningful motivation for young people in our schools.

Few schools teach students how to become autonomous. In the process of becoming responsible adults, young people must become motivated, learn to set their own goals, and begin to challenge aspects of their world that they

believe are wrong or harmful. Yet this process is hardly evident in most traditional learning settings. Students leaving school at ages 16 to 18 are treated much like students starting school at age 5 or 6: teachers still assign readings and exercises in books chosen by a higher authority to fulfill requirements set by the teacher or the state or some entity in between. Rarely in a traditional curriculum does anyone ask the students what interests them, what projects they want to undertake, or how they want to organize their education.

Some student apathy may arise from the fact that much of the information that students are expected to assimilate is indeed irrelevant to them, because it does not concern their own immediate environment. Centralization and standardization are prominent features in the reforms of the 1980s--for example, the emphasis on national testing standards and statewide educational objectives. But standardized and centralized curriculum may lack relevance and usefulness on the local level. As Daryl Hobbs, a rural sociologist at the University of Missouri, put it:

> We know more about the U.S. Congress and less about our own state legislature. We know almost nothing about the levels of government that most directly touch our lives, how our counties and towns are managed and how local decisions are made. (Mid-continent Regional Educational Laboratory, undated, p. 13)

It is rare for a school's curriculum to focus on the local level, such as the local economic or political structure, the technologies used in the local area, or the regional artists and writers.

Programs that promote interaction between students and their communities have received many names, such as Community-Based Curriculum, Community as a Focus of Study, and "Real Students Doing Real Work." Probably the best known program is "Foxfire" and its Foxfire magazine, featuring student ethnographic

research. This program was started by Eliot Wigginton at Rabun Gap-Nacoochee High School in Rabun Gap, Georgia.

Wigginton has written extensively on the principles of education involved in his brand of teaching. First, he insists that students themselves define a project that they want to pursue, telling them, "You will design some project--your choice--that will meet all the criteria of the philosophy this course represents" (Wigginton, 1989, p. 42). If motivation does not come from within students, it cannot be induced from outside, no matter how "exciting" the program. As an example of ineffective strategy, Wigginton offers the following scenario: teachers take a summer course in which they learn how to produce a magazine like Foxfire. The next year, some teachers "start magazines--whether or not this is something the students wish to do--assign articles, and produce publications filled with three-page features . . . . Then they write me and complain that the kids are still bored." (Wigginton, 1989, p. 41.)

Next, students and teachers work together to ensure that the eventual undertaking will produce something of use to the community. Their work will have an audience that will affirm that the work is important, needed, and worth doing.

The roles of teachers and students change in a community-focused program. Student work must be active, rather than passive, featuring peer-teaching, small-group work, and teamwork. Teachers progressively lose their roles as providers of information and direction and become instead collaborators, facilitating learning and encouraging students to persevere. Eventually, students' sense of ownership impels them to constant improvement and, hence, self-motivation and autonomy.

The Foxfire teaching style allows skills and knowledge to be developed naturally in a holistic manner. Students welcome learning because it is integral to completing the task that they have set for themselves. Wigginton deseribes, for example, the range of skills necessary for writing an article: obtaining interviews; developing a set of relevant questions; using tape recorders and cameras; conducting, transcribing, and editing the interview; interpreting and verifying information through library research or additional interviews; and producing a well-written and well-organized article based on several sources of information (Wigginton, 1985). Foxfire is not limited to the language arts. There are now more than 20 different classes taught using the Foxfire pedagogy.

The Foxfire curriculum is based on an ethnographic (as well as geographic) community. Community-based curriculum could also focus on economic, political, or social communities. In any case, community-based curriculum teaches students information and skills that they will need to be able to improve their own communities. The premise of community-based curriculum is, first, that the most important skill for students to learn is the ability to contribute to their community and, secondly, to accomplish this, students must have undertaken a detailed study of their own community.

In rural areas, communities stagnate while their best students leave for jobs or education in the cities. But the knowledge and skills needed for community revitalization could, and should, be taught in schools. Communities need systematic and detailed information about themselves--about their economic/political/social structures, their strengths and their weaknesses, their place in the regional and state scheme, and so on. This information is difficult to accommodate in a standardized, centralized

curriculum, but it fits naturally into a curriculum focused on the community. Communities also need entrepreneurs and risk takers, people who can take the initiative to fill gaps and build the community. Yet curricula that emphasize conformity and limit student initiative are unlikely to encourage entrepreneurial behavior. As a result, in the typical American setting, those young people with the best formal education have not necessarily developed the autonomy they need to be able to contribute effectively to their communities. Unfortunately, Foxfire graduates have left the area at an even greater rate, increasing, instead of decreasing, this rural "brain drain."

Promising Practice: School-Based Enterprise

The crucial insight underlying school-based enterprise is that schools can benefit their communities and their students simultaneously by offering real-life entrepreneurship in their curricula. Students benefit because real-life experience promotes active learning and creates a powerful motivating force to master a subject area. Communities also benefit as students create a business that fills a formerly empty niche in the local economy. Finally, as students learn to be job creators, rather than job applicants, they can acquire both the skills and the motivation to enable them to remain in and revitalize their communities, rather than migrate to opportunities in the cities.

Educational Perspective

School-based enterprise programs remove students from traditional classroom settings and involve them in hands-on learning. Before they open a business, students must assess their community to determine which businesses

will be viable, develop a business plan indicating how their business will function, and find loans and financing to support their proposal. Once they launch the business, the students run it with the help of an adult manager.

Originally, a typical two-year entrepreneurship sequence consisted of a one-year course in enterprise, including the choice of a business and the writing of a business plan, and a one-year course in small business management, taken simultaneously with business start-up and operation. Real-life experience augmented classroom learning and provided students with meaningful motivation to master basic, technical, and higher-order thinking skills. Now, depending upon the situation, the time line to establish an enterprise can be shortened, especially with very small businesses.

Rural Revitalization Perspective

It also is theorized that school-based enterprises benefit rural communities by halting stagnation and encouraging revitalization. For example, in the Southeast, the decline of textile manufacture and tobacco cultivation has seriously weakened the region's economy. In some areas, service or high-technology industries have filled the gap, but many communities have been unable to satisfy their employment needs by recruiting large industries. If these communities have nothing else to fall back on, they simply stagnate. Migration from rural areas and small towns to cities has become endemic, because few opportunities remain in these rural areas. But many city jobs are entry level and dead-end, as well. Rural students are caught in a classic dilemma: there are no opportunities for them if they remain and few if they leave.

Paradoxically, rural schools command an impressive array of resources that students can use to improve their communities. The very existence of a school is psychologically so important that it often determines whether or not a community exists. The school board, staff, and students can be the backbone of a community. The local school board generally consists of powerful people in the community. In turn, the board itself is often a significant political actor in the community. The staff of a rural school--teachers, administrators, counselors, vocational education staff, and so on--represent a pool of expertise that often extends far beyond the classroom. Like rural residents in general, rural educators tend to be generalists with multiple roles. A teacher may also be a part-time farmer, mechanic, or shop owner. Under the right conditions, students also can form a large reservoir of energy and creativity.

A rural school also can be economically prominent, often having one of the largest payrolls or the most extensive purchasing power in the area. The school buildings represent a major public investment in the infrastructure of the rural community.

School-based enterprise programs teach students a vital skill for survival in their world: how to be creators of new jobs, rather than applicants for jobs that no longer exist or are insufficient for the students' needs and aspirations. At the same time, the program teaches a skill vital to the success of rural economies: how to start small-scale enterprises that create strong economies without reliance on large industry. Finally, the program encourages students to develop strong ties to their community and empowers them to change it for the better, rather than abandon it for the city.

An Example: The Way-Off Broadway Deli

One of the most successful school-based enterprises has been the Way-Off Broadway Deli in St. Pauls, North Carolina, a very small town whose economy depends on tobacco cultivation and three local mills. A group of 35 high school students volunteered to work on starting a business in November 1985. They met mornings before school, during lunch hours, and after school to complete an economic survey of their community. However, because of the manner in which this business was created, the project never was integrated into the curriculum.

Guided by their community assessment, the students abandoned several early business ideas--including converting the school auditorium into an entertainment complex, starting a community newspaper, or running a day-care center. The students looked for a niche in their local economy that was as yet unfilled and that could support a profitable business. They found that the town's greatest business asset was its location on Interstate-95, a major artery channeling 23,000 cars past the town every day. They checked charge slips at local gas stations and found that much of that traffic originated from the New York or New England area. A new idea took hold--a New York-style kosher deli on I-95, catering to travelers who were tired of fast food and southern cooking.

Next, the students spent a semester developing a business plan and proposed budget to convince their school board, REAL Enterprises, Inc., and other potential investors that their business was viable and worth investing in. They faced an uphill struggle, since the site they proposed had seen a chain of pizza shop failures, and the building was in poor condition. Nevertheless, the St. Pauls Board of Education approved their plan and

advanced the students a loan of $28,000--half of their proposed budget. The loan allowed the students to buy the building and some equipment. They also presented their plan to a REAL Enterprises panel in March 1987, and they received an additional loan of $7,000 from REAL Enterprises.

After extensive cleanup and renovation work, the students hired a full-time business manager and opened for business in July 1987. By spring 1988, the Way-Off Broadway Deli had average daily sales of $500--an impressive accomplishment, but still short of the $600 per day they projected was necessary to break even. The deli employed 14 students part-time at $4 per hour.

Over 60 students were involved in the deli start-up or at some time during its early years. Most were college-bound students who were bored with the regular high school curriculum; others were not college-bound.

In December 1988, several St. Pauls High School students traveled to Raleigh to legally incorporate the deli as a cooperative business. Before incorporating, they had to create an accounting system (a responsibility that the school had shouldered previously); write bylaws; and work out an employee investment scheme. Finally, a loan of $33,000 from First Union Bank allowed the students to buy out the school board's remaining investment. By April 1990, the deli was owned and being operated by two recent St. Pauls graduates, who employed three other students. A drive-through was added to accommodate the lunch rush.

The deli benefited St. Pauls by pulling outside customers into the town and by providing jobs for recent graduates. The business benefited the school as well: the courses in marketing, management, and small business enterprise were enlivened when teachers used experiences from the deli to build units on

topics such as advertising or employee scheduling. Finally, the deli helped motivate students and decrease apathy. Many students were excited about being part of the deli "team," just as they were about playing on the basketball or baseball team. Teacher Sarah Hayes reports that at least two students who otherwise would not have remained in school until graduation did so because they wanted to work at the deli, and they knew others were relying on them.

However, the deli relied on I-95 traffic and never developed a local clientele. As a result, the business folded in August 1990.

Comparison With Junior Achievement Programs

School-based enterprise is not the same as Junior Achievement, although both involve hands-on entrepreneurial training. In a typical Junior Achievement (JA) evening program, students spend at least two hours a week for 15 to 25 weeks organizing and running a company that produces a product or service. Students are responsible for stock sales, production, marketing, and record keeping. They work with an adult supervisor, generally a volunteer from a local business, who chooses the product or service that the company will produce. Generally, products are chosen from catalogs produced especially for Junior Achievement programs. The manufacturing process must be brief and cannot involve power tools--many products require handicraft or assembly jobs, such as the production of jewelry or bookends. Most JA groups do make a net profit that can be distributed as the students wish; some JA groups are very profitable, making up to $5,000 in a semester.

Despite some similarities, school-based enterprise is a more comprehensive program than Junior Achievement, involving a greater breadth and depth of commitment. Students are involved for two or more years, rather than

one to two semesters. They are extensively involved in the planning, as well as the operation, of their business. They choose the product or service to be produced, limited only by the realities of the business world. These sometimes harsh realities are researched extensively by the students in the form of community assessment, and the viability of the students' ideas must be documented in a business plan. Students in Junior Achievement programs do not research community needs, choose the product they will sell, or attempt to justify such a choice by writing a business plan. Finally, Junior Achievement programs contribute to the economic well-being of their host areas mainly by training students who may later go on to become entrepreneurs, while school-based enterprise programs attempt to create businesses that fulfill a need in the community.

THE PROCESS OF SCHOOL-BASED ENTERPRISE

Formation of a school-based enterprise proceeds in several steps: assessing the community: writing a business plan; organizing for start-up; operating the business from day to day; and, in the long run, "spinning off" from the school. This section focuses on each component of the process, illustrating it with experiences at the Way-Off Broadway Deli and other school-based enterprises in the Southeast.

1. Conduct a Community Assessment

Community assessment involves conducting a community survey and some type of feasibility study. Students must identify opportunities within the local economy for viable, self-sustaining businesses. In the course of assessing their community, students may find that business ideas that sounded viable prove to be mirages or that viable new ideas emerge.

Students in Social Circle, Georgia, assessed their community by surveying about 20 community members and 60 students to find out how often they would use a variety of proposed businesses, ranging from a wholesale meat store to an athletic shop to a new recreational facility at a nearby state park. In each case, about half of their ideas received negative scores, indicating the majority of the respondents would seldom or never use the proposed business. The winner, a miniature golf course at Hard Labor Creek State Park, got a moderately positive response from students and an overwhelmingly positive response from the community. By the spring of 1989, the students had designed the course and were soliciting bids for the cement

work. (Unfortunately, the business was abandoned when a new administration took over the school.)

Students in Walterboro, South Carolina, started their community assessment with a strong idea of what they wanted to do. They had seized on the idea of opening a teen center--a sure success, they thought, since there was "nothing to do" in their town. But a visit from the executive vice-president of the county's chamber of commerce, who described the demise of the town's last teen center, brought the students back down to earth. A series of class visitors proposed a variety of ideas, and finally a new "class dream" was born--an old fashioned ice-cream parlor. More community assessment, including traffic flow counts and a driving tour of downtown, eventually confirmed that the ice-cream parlor had promise. By the winter of 1989, the students of Walterboro were prepared to research and write a business plan.

As a final example, a student at Ocracoke High School in North Carolina had a strong interest in music and wanted to open a mail order music supply store. However, when he completed the community assessment, he found that the market was too weak to support his proposed business. But he also found that during the summer visitors to the island had been asking where they could rent boats for recreation. The student went on to operate a successful boat rental business. However, the REAL project concept itself eventually was discontinued by the school in Ocracoke.

The design, testing, implementation, and evaluation of a community survey require both basic and higher-order skills. Since the use of these skills is embedded in a meaningful context, students gain motivation and learn autonomy. Like other entrepreneurs, students may find the process of assessment frustrating and discouraging; nevertheless, its discipline will

serve them well if they decide to open another business on their own. Finally, a thorough, detailed, and well-implemented assessment builds a stockpile of information about the community, its strengths, and its potential. This information fills the gap created by our standardized, nationalized public school curriculum and can be a first step toward community revitalization. Community assessment is a prerequisite to planning a viable business and one that many entrepreneurs attempt to avoid--at the cost of a very high rate of new business failures.

2. **Write a Business Plan**

Once students have chosen a suitable entrepreneurial project, they research and write a business plan. The purpose of the business plan is threefold: to document the viability of the proposed venture, thus increasing the likelihood of obtaining financing; to set realistic goals and indicate how they can be accomplished; and to demonstrate that the students have the potential to be sound business managers and decision makers. The plan must include sections on the company, the industry, and the competition; the product and the production process; the market and a marketing strategy; management and personnel; financial data (start-up budget, income statements, cash flow statements, balance sheets, and break-even analysis); supporting documents (resumes, documentation of customer demand, letters of support, etc.); and an executive summary.

Like community assessment, writing a business plan is excellent practice in using basic skills, such as cogent writing, and higher-order skills, such as organization and analysis. Students also gain vital entrepreneurial experience. In fact, the Bankers Association of North Carolina found that the

student business plans were better researched and written than those of most adult loan applicants. Nevertheless, writing a business plan can be frustrating and time-consuming, and sometimes students do need outside motivation. For example, N.C. REAL Enterprises has in the past offered rewards for the completion of this phase.

While writing their business plan, the students must delineate the model their business will follow--new start-up, expansion of an existing business, or microenterprise. New start-ups like the deli have been the most common so far. An advantage of new start-ups is that student motivation and sense of ownership tend to be very high. Some new start-ups, such as the Way-Off Broadway Deli, can be quite successful--at least for a while. Nevertheless, a new start-up is the business type that requires the most resources and is the most prone to failure, as was the case with the deli.

Alternatively, the students could expand on an existing business, as did students at Mountain Heritage High School in Burnsville, North Carolina, when they bought an old ice-cream parlor, changed its image, and opened the Royal Penguin Ice Cream Palace. In this case, problems of lack of experience and lack of recognition by the community may be less severe.

A third possibility is the development of a microenterprise owned by one or a few students and ideally requiring little start-up capital. Microenterprises, also known as small-scale income-generation activities, are becoming more popular among development experts because their low initial costs make them less risky and more conducive to equity. They are well suited to some communities, such as Ocracoke, North Carolina, a tiny island on the Outer Banks where only 23 students attend the local high school. A larger enterprise probably could not be supported in such a small community.

Instead, students in the entrepreneurship class started several small projects: a boat rental (one owner), a leisure time store (three owners), and seasonal Christmas and Easter projects (involving the entire class for a few weeks at a time). The most ambitious of these undertakings was the leisure time store, which required a $10,000 start-up loan. Nevertheless, it failed within two months, in part due to undercapitalization. The other microenterprises had lower capital needs. They survived and earned a profit for the students involved.

So far, only Ocracoke has experimented with the microenterprise businesses. At a larger school, microenterprises may or may not be effective. The small size of the businesses might create very high student attachment, but it could also fragment the curriculum and diminish the attention given to each individual business. In terms of community revitalization, microenterprises provide less employment, but they may also produce more trained entrepreneurs and a more equitable distribution of ownership.

3. Begin Start-Up and Operations

The assessment of the community and development of a business plan generally require at least a year. Once the plan is complete, the students must seek financing for the space and supplies they need. Financing for school-based enterprises has come from many sources, including the school board or school district, REAL Enterprises, special lending sources such as the Self-Help Credit Union in North Carolina, local lending institutions, and private grants and loans.

Some repairs and renovation are usually necessary before the business can open. Generally, students also hire an adult business manager and fill

other positions, such as student managers and student workers. After opening day, each business has its own unique problems to solve, both technical and entrepreneurial.

The start-up and operation phases are probably the most conducive to active learning and high student motivation. The most often cited dilemma is that students are not accustomed to a situation in which what they do is more important than what they know. After writing detailed business plans or marketing schemes, students sometimes fail to follow through as aggressively as necessary. Students must--and usually do--learn that only their own efforts will cause the business to succeed.

Community revitalization goals are also fulfilled as the community benefits from new products or services and new employment. Often a number of student jobs are created, giving the students an incentive to remain in the community after graduation and ensuring that the community gains many young, experienced entrepreneurs.

4. Evaluate Outcomes

The ultimate goal for school-based enterprise programs is the creation of businesses that eventually spin off from the school--like the Way-Off Broadway Deli, which was eventually owned by two graduates of St. Pauls High School. A successful spin-off indicates that students have learned useful entrepreneurial skills and have made a successful contribution to their community. Resources invested by the school are recovered, and the school is freed to incubate another business. Students are likely to feel personally empowered, and they gain both in employability and in the ability to create their own employment.

But inevitably, some businesses do fail. Four of the nine schools that have started school-based enterprises have seen business failures: one microenterprise closed within two months of opening, two new start-ups failed after two years of operation, and one--the Way-Off Broadway Deli--failed after five years. Although closings are painful, they also teach powerful lessons about the nature of entrepreneurship and the need for persistence. Therefore, REAL Enterprises has committed not to subsidize failing businesses, saying "We must be the partners, rather than the patrons of these students--and they, in turn, must come to regard themselves as owners of an independent enterprise, not as clients of a magical grant program" (NC REAL Enterprises, 1990, p. 5).

CONCLUSIONS: SOME LESSONS LEARNED

Teachers and others involved in the program have learned many lessons that can be used to help future programs run more smoothly. The following comments were gathered from a document review and series of interviews.**

Prevent Dropouts

From anecdotal evidence, school-based enterprise has been effective in preventing students from dropping out in several cases. One Georgia school, Social Circle High School, recruited a class composed partially of students considered at risk for dropping out and partially of students considered high in leadership potential. Paul Delargy, director of Georgia REAL Enterprises, said that he felt that the composition of the class was advantageous and should be tried again.

Start Small

Several teachers mentioned the need to "start small." For example, Sarah Hayes, a teacher at St. Pauls (NC) High School, said that although the Way-Off Broadway Deli was successful to a certain degree, a "less elaborate" starting project would have been easier to manage. She felt that the

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** Comments were gathered from The REAL Story (the REAL Enterprises newsletter) and interviews with: Paul Delargy, director of Georgia REAL Enterprises; Sarah Hayes, teacher at St. Pauls (NC) High School; Rick Larson, director of N.C. REAL Enterprises; Jeanne Meiggs, former superintendent for Currituck County (NC) school district; and David Senseney, teacher at Ocracoke (NC) High School.

intention to start small is often overcome by students' and teachers' enthusiasm, and there is soon "no good stopping point."

It is important that the students realize the amount of work that will be involved and that they are eager to undertake this work. David Senseney, a teacher at Ocracoke (NC) High School, emphasized the necessity of not biting off more than the students can chew. Ocracoke had four enterprise projects: a store owned by three students, a boat rental owned by one student, a seasonal Christmas tree project, and a seasonal Easter egg project. The seasonal projects involved only a few weeks of work, but they ceased operations when the program was dropped by the school. However, neither student-owned business lasted past the first summer of operation due to student attitudes that Senseney said "were not [what] we expected." Part of the reason, Senseney felt, was that the student owners were dismayed when they discovered the amount of work and sacrifice involved in running a business. Senseney said the students all worked hard and learned a great deal, but they were, he felt understandably, "not interested in being adults yet." This may be an underlying weakness of the REAL concept.

Reduce Burdens on the Teacher

Since teacher supervision is so important, it is vital that at least a half-time teaching position is devoted to the program, says Jeanne Meiggs, former superintendent for the Currituck County (NC) school district. Otherwise, enthusiastic teachers may spread themselves too thin. Strain on the teachers may have contributed to problems in Northampton West. "Teachers can't--and shouldn't--be expected to be business managers, too" (NC REAL Enterprises, 1990, p. 5).

Establish Curriculum Guidelines

Several teachers noted the need for curriculum guidelines to relieve teachers of some of the burden of preparing lessons and to help teachers who did not have extensive small business experience. N.C. REAL Enterprises staff wrote in their newsletter, "So far we have relied almost solely on the ingenuity and energy of teachers. While they have risen to this challenge, in the long run a first-rate set of teaching materials is needed" (1989, p. 7). Guidelines should be forthcoming as part of a $600,000 Ford Foundation grant received by the REAL Enterprises Federation. Jonathan Sher of North Carolina will be responsible for writing a curricula and resource materials, including curricula for four entrepreneurship-related courses and a handbook of practical information about establishing and operating a REAL Enterprises program.

Provide Adult Supervision

Adult supervision is an important aspect of school-based enterprise. Teachers found that students had the most difficulty running a new business if it was started over the summer without an adult manager and without teacher supervision. In addition, some aspects, such as financial record keeping and planning, probably should be handed over to the students slowly. For example, at the Way-Off Broadway Deli, students were trained in financial management while the school did the actual bookkeeping. Only when the students bought the business from the school did they set up their own accounting system. At Currituck (NC) High School, on the other hand, Meiggs believes that students were given responsibility for financial management too rapidly and with too

little training and that this was one of the main reasons for the failure of several of these small businesses.

Secure Community Support

A group of allies in the local community is vital to the success of a fledgling business. Community experts are more readily available to students than REAL Enterprise staff, and they are more likely to have useful information about and contacts in the students' own community. South Carolina REAL Enterprises is exploring a model of technical assistance based on local business people, accountants, bankers, and other community members.

"Being Overly Helpful Isn't"

Finally, REAL Enterprises has learned, especially from the businesses that have failed, that independence must be fostered. After two graphics and printing businesses failed, N.C. REAL Enterprises staff analyzed the reasons in their newsletter, commenting:

> We have learned the hard way that it's easier to keep throwing dollars at a business problem than it is to make the hard choices a successful enterprise requires. [As a result of REAL Enterprise intervention at Hurricane Screen Print], more positions were supported than truly were needed, and we ended up creating dependence rather than motivation. [Although students did not complete required reports satisfactorily, N.C. REAL Enterprises continued funding.] This was not an appropriate lesson for us to teach about the way business is done in the real world . . . . All in all, in trying to be unfailingly "nice" and "supportive," we sent the wrong messages--and undermined the essential process of students thinking and behaving like the true owners of these enterprises. (1990, p. 5)

The author concluded that "we must be the partners, rather than the patrons of these students--and they, in turn, must come to regard themselves as owners of

an independent enterprise, not as clients of a magical grant program" (NC REAL Enterprises, 1990, p. 5).

SUMMARY

The concept of school-based enterprise has considerable merit but is still in its formative stages of being tested. The objectives of the program are summarized in Appendix A. Appendix B presents some program "Dos" and "Don'ts" based on experiences in pilot sites to date. These points should be considered carefully to maximize the chances for project success, whether in terms of the students' educational and business experiences (the primary outcome) or the success of the small businesses themselves (a secondary outcome).

To provide an overview of the types of small business sites that have been tried in the Southeast, Appendix C presents abstracts of several of these ventures. These abstracts include notes that provide valuable insights about site operations.

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APPENDIX A

OBJECTIVES OF SCHOOL-BASED ENTERPRISE

REAL Enterprises has identified four groups of objectives for their programs:

1. Educational: "to help students and teachers (learn about) entrepreneurship and small business management/ownership."
   - o To enrich the school curriculum by adding entrepreneurship.
   - o To develop basic, technical, and higher-order thinking skills among the students.
   - o To increase academic motivation and reduce the dropout rate.

2. Individual: "to help foster a sense of empowerment and heighten the capacity to be successful productive community members."
   - o To empower individual students.
   - o To increase employability within and beyond the local community.
   - o To help students acquire income and work experience.

3. Institutional: "to help rural schools become effective small business incubators."
   - o To strengthen school-community and public-private cooperation.
   - o To generate new revenues for the school.
   - o To attract better teachers, board members, and administrators.

4. Economic: "to help create good new local jobs through identifying and utilizing untapped opportunities in the local economy."
   - o To create good new jobs in the local area.
   - o To tap into previously unrecognized opportunities in the local economy, thereby expanding and diversifying the local economic base.
   - o To encourage new investment.
   - o To catalyze community development.
   - o To gain information about the community's economic structure.

[Compiled from a variety of sources, each of which used the four basic categories.]

APPENDIX B

DOS AND DON'TS OF SCHOOL-BASED ENTERPRISE

Rural School-Based Enterprise Programs affiliated with North Carolina REAL Enterprises . . .

ARE:	ARE NOT:
Creating long-term viable businesses	Simulations or "live projects"
Filling gaps in the local economy	Competing with local businesses
Tailored to local realities	Prepackaged or standardized
Helping schools become business incubators	Helping schools become long-term business operators
Integrated into the curriculum	Extracurricular activities
Maintaining educational integrity	Offered "instead of" quality education
Open to all interested students	Pigeonholed for one group of students
Enabling students to earn wages and profits	Using students as cheap labor
Preparing students to be owners/ job creators	Narrowly training job applicants
Self-sufficient and self-perpetuating	Dependent upon long-term external subsidies
Supported by appropriate technical assistance	Isolated and left to "sink or swim"
Guaranteed access to start-up capital	Wholly dependent on community/ commercial financing

(From Jonathan Sher, (1988/89, Winter). The REAL Story, Newsletter of North Carolina REAL Enterprises, 1, Chapter 1, p. 7.)

APPENDIX C

SCHOOL-BASED ENTERPRISE SITES IN THE SOUTHEAST

This appendix includes abstracts of several school-based enterprise sites affiliated with REAL Enterprises in the six Southeast states. Sites where student run businesses failed are included, since a business failure is itself often as instructive as successful businesses. Some new sites that have not yet opened their businesses also were included. Sites were excluded where the program was abandoned before business start-up occurred.

The abstracts are organized by state and alphabetized by community. Each abstract gives the name of the business, school, and location. The heading "description" briefly summarizes what the business does. "Location" gives some economic background of the area and information about the school. Two dates are given for each program--the date when the school began offering the school-based enterprise curriculum and the date when a business was first started. Information on financing, when available, indicates how much money the project has received in grants or loans and from whom. Current status indicates what state of planning or operation the business is in and whether a business, once started, is still operating.

In the notes on each enterprise, an attempt was made to gather as much of the following information as available and applicable: the number of students enrolled; dropout prevention credited to the program; the number of jobs created; information about sales and profits; how the program is integrated into the school's curriculum; and, of course, the story of the business itself.

North Carolina

Royal Penguin Ice Cream Palace
Mountain Heritage High School

Location: Burnsville, North Carolina, is in Yancey County, a historically impoverished area that is now experiencing some economic growth.

Description: Old-fashioned ice cream parlor.

Date of Program Start: Fall 1987 **Business Start-up:** July 1989

Financing:

$ 4,800 loan: Yancey County School Board (rent for first year).
$ 9,700 loan: Yancey County Economic Development Commission.
$11,900 loan: N.C. REAL Enterprises.

Current Status: Business closed.

Notes: Originally, the students at Mountain Heritage High School planned to start an office supply store. However, during their community assessment, the students learned that most offices in the area were already committed to large discount supply stores or had actual contracts with specific companies. This problem, coupled with a predictable lack of enthusiasm on the part of students for office supplies, led the students to rethink their plans. A local ice cream business was put on the market, and the students decided to buy it and change its image.

The first summer proceeded well, and Royal Penguin employed eight recent graduates of Mountain Heritage and one adult from the community. The winter season was more difficult. The students expanded their menu to include submarine sandwiches and hot drinks, and they worked on a more aggressive marketing strategy. Nevertheless, they eventually decided that their best alternative was to close the shop during the winter months and reopen in the summer.

The business class at Mountain Heritage meets during the period before lunch to allow an occasional double period for field trips and other intensive sessions. This creative scheduling enhances the curricular benefits of the school-based enterprise.

Currituck Screen Print
Currituck High School

Location: Currituck, North Carolina, is a coastal county experiencing rapid population growth, but little economic development.

Description: Printing and graphics business, including t-shirts, bumper stickers, and posters.

Date of Program Start: Spring 1986 **Business Start-up:** December 1989

Financing:
Most financing came from a loan from the local board of education for equipment. Currituck Screen Print also received a loan from a local bank and a grant from N.C. REAL Enterprises.

Current Status: Business failed, July 1989.

Notes: Currituck Screen Print had a promising start with two highly qualified teachers: Bobby Orrell, who had started and worked for several years at a screen printing company with his father and brother, and Kevin Balas, who had worked in corporate acquisitions for Chase Manhattan, taught college economics, and owned a bed and breakfast. The market for screen printing in Currituck also was judged to be quite strong. About half of the orders came from Currituck recreation leagues and civic organizations.

Over the course of two years, the business employed ten students and one adult from the community. Students were enthusiastic about the business, and, according to Jeanne Meiggs, former district superintendent, the school-based enterprise program was responsible for keeping at least two students in school who otherwise probably would have dropped out.

However, the students acquired a large line of credit for their business and, as a result, were less diligent about collecting from their customers. Soon the business had taken on more debt than it could handle. In addition, the students did not have a solid advisory group of business owners or professionals whom they could call on for advice.

According to Meiggs, more prompt and extensive follow-up from REAL Enterprises might have helped the business. She believes that the business should have hired two managers, one trained in printing and one in financial matters, and that financial responsibility should have been turned over to the students more gradually and with more adult supervision. Meiggs also believes that more support was needed from the school and that at least one part-time teacher should have been hired to work with the business.

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Hurricane Screen Printing and Athletic Supply Company
Northampton West High School

Location: Gumberry, in Northampton County, North Carolina, is a primarily black agricultural community with a stagnant economy.

Description: Screen printing on T-shirts and athletic clothing.

Date of Program Start: Spring 1986 **Business Start-up:** July 1987

Financing:

$10,000 loan: Northampton School Board.
$14,000 loan: N.C. REAL Enterprises.
$ 4,000 grant: State legislature special appropriation for equipment.

Current Status: Business failed after more than a year of operation.

Notes: Hurricane employed ten students in the year before it failed. Of those students, several found they had interests in graphic arts, and one, in sales. According to Rick Larson of N.C. REAL Enterprises, some students remained in school, rather than dropping out, in order to work in the business.

The business came close to failure in the fall of 1986. Among the causes were student inexperience in processing orders and producing a product; geographical isolation and a weak market; the inability of the store to remain open during all business hours, which cost them business; lack of community support; and the fact that the teacher was overburdened by having to work as the business manager. The most crucial problem, according to Larson, was that the students (as well as N.C. REAL Enterprises staff) believed that it would be possible to use their status as a student-run business to get orders from other North Carolina schools. As it turned out, this was not the case. Larson says that to avoid similar problems in the future, students should get written confirmation of orders before launching their businesses.

Nevertheless, a major contract with a Virginia sporting goods company seemed to offer salvation to Hurricane N.C. REAL Enterprises provided working capital to pay students until sales increased. The students, in return, were to rewrite their business plan and submit weekly reports on sales and production progress. Students made tentative plans to spin off from the school in the summer of 1989. The Raleigh News and Observer wrote that Hurricane had the potential to be one of the largest employers in the community.

However, the students did not keep their part of the bargain--they did not rewrite their business plan or submit weekly reports. Eventually the same problems of geographical isolation and weak market forced the business to close in 1989. The school board and N.C. REAL Enterprises will recover as much of their loans as possible by auctioning off the businesses assets and splitting the proceeds.

Seasonal Microenterprise Projects
Ocracoke High School

Location: Ocracoke, North Carolina, is a tiny Outer Banks island heavily dependent on tourism, with the smallest K-12 school in the state.

Description: (1) A yearly trip to Western North Carolina to acquire pre-ordered Christmas trees.
(2) Production of chocolate Easter eggs.

Date of Program Start: Spring 1986 **Business Start-up:** May 1987

Financing:
Small loans from teacher.

Current Status: Both businesses have ceased operations following the end of the REAL program in Ocracoke.

Notes: Both projects are once-a-year attempts to counteract the effects of Ocracoke's boom-bust economic cycles. In each project, students have made $25 to $75 for a few days to a week's worth of work. The teacher, David Senseney, has financed each project with loans of up to a few hundred dollars. In each case, students have learned about marketing, production, financing, and cash flow. Senseney feels that students involved in the project have been enthusiastic, and their involvement has had a positive effect on their motivation in general.

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Silver Lake Boat Rental
Ocracoke High School

Location: Ocracoke, North Carolina, is a tiny Outer Banks island heavily dependent on tourism, with the smallest K-12 school in the state.

Description: A service renting boats to tourists during the tourist season.

Date of Program Start: Spring 1986 **Business Start-up:** May 1987

Financing: (not available)

Current Status: Business operated successfully for two summers, but student owner decided not to continue.

Notes: Silver Lake Boat Rental was founded by a single student working alone. The student's first interest was in music, and he wanted to start a mail order music supply business. However, community assessment made it clear that a music supplier was not likely to be successful. Instead, the student found that visitors to the island had been asking where they could rent boats. David Senseney, the Ocracoke entrepreneurship teacher, allowed the student to use space in the general store that he owned. The owner rented one sailboat and two motorboats.

Things To Do
Ocracoke High School

Location: Ocracoke, North Carolina, is a tiny Outer Banks island heavily dependent on tourism, with the smallest K-12 school in the state.

Description: A store renting videos and other entertainment to tourists and local residents.

Date of Program Start: Spring 1986 **Business Start-up:** May 1987

Financing:
$10,000 loan: N.C. REAL Enterprises

Current Status: Business failed in July 1987.

Notes: Teacher David Senseney feels that Things To Do opened before the students were fully prepared. The store was undercapitalized, had a low inventory, and was not well advertised. Senseney feels that some of the pressure for an early start-up came from Ocracoke's pronounced cyclical economy--summer economic booms due to the tourist industry and economic bust following the tourist season. The student owners felt that they had to open for the summer season.

In addition, since the students opened during the summer and did not have an adult manager, they had essentially no educational or business supervision. Senseney feels that the students had not realized the extent of work that would be involved in running a business on their own.

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The Way-Off Broadway Deli
St. Pauls High School

Location: St. Pauls, North Carolina, is a very small town whose economy depends on tobacco cultivation and three local mills.

Description: A New York style deli off of I-95, serving mainly tourists.

Date of Program Start: November 1985 **Business Start-up:** July 1987

Financing:

	$28,000 loan:	St. Pauls Board of Education (for building).
	$ 7,000 grant:	N.C. REAL Enterprises (start-up costs).
1989	$33,000 loan:	First Union Bank in St. Pauls (to pay off Board of Education loan).

Current Status: Business closed, August 1990.

Notes: The deli was one of the most successful school-based enterprises. It has attracted regional and national attention. See pages 10-12 of the paper for a detailed description.

Georgia

Hartwell Railway Company
Hartwell High School

Location: Hartwell, Georgia, is a small town economically dependent on a few apparel plants.

Description: The Hartwell Railway Company operates a scenic passenger line for tourists. Students have also participated in the revitalization of Depot Street, the town's business district.

Date of Program Start: 1982 **Business Start-up:** 1985

Financing: (not available)

Current Status: Business closed.

Notes: The Hartwell Railway Company operates a not-for-profit excursion train. Students are involved in ticketing, office work, and running the gift shop. The students have also helped renovate a historic building in Hartwell's business district where they sell souvenirs and cottage industry products. This shop employs five students. Hartwell officials credit students with being part of a broad community revitalization effort that created 200 new jobs in the business district.

The projects are coordinated and managed by two vocational education teachers who are negotiating with the high school for academic credit.

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Power Seven Graphics
Jefferson City Schools

Location: Jefferson, Georgia, with a population of 2000, is the second largest town in Jackson County.

Description: A graphic arts business.

Date of Program Start: Fall 1989 **Business Start-up:** Winter 1990 (proj.)

Financing:
$8,000 contract: Southeastern Educational Improvement Laboratory.

Current Status: Writing business plan and soliciting business to earn start-up capital.

Notes: The school's graphic arts teacher, James Bryan, sees school-based enterprise as a good way of convincing students that the arts are a viable career alternative. The students have completed a community assessment and started writing a business plan. In the meantime, they have begun to solicit business to earn start-up capital. They have successfully designed business cards, stationery, and logos.

Of the seven students who worked on the business in the 1989-90 school year, three plan to launch the business independent of the school in December 1990. Two students have gone on to college, and two have decided not to be involved this year.

Child Development Center
Brooks County High School

Location: Quitman, Georgia, is in Brooks County, a predominantly rural, racially mixed, impoverished county.

Description: Child-care center.

Date of Program Start: 1979 **Business Start-up:** 1980

Financing: (not available)

Current Status: Operates as a teaching center for the high school; will remain associated with the school

Notes: The Child Development Center has three functions: first, it provides licensed child care for children of local parents; second, it is the core of a two-year program that allows a high school student to become licensed as a day-care aide in Georgia; and third, it teaches parenting skills to student workers. The Center provides care for 40 to 50 children per day and made over $10,000 in 1987. In addition, about 40 students are enrolled every year in the courses required for licensing. Two new child care centers have been started in the area, one by two former students and the other by a former student with a college business major.

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Construction Unit
Brooks County High School

Location: Quitman, Georgia, is in Brooks County, a predominantly rural, racially mixed, impoverished county.

Description: Construction crew.

Date of Program Start: 1979 **Business Start-up:** 1980

Financing: (not available)

Current Status: Business is operating and will remain associated with Brooks County High School.

Notes: The construction unit was originally formed to build the facilities needed for the other two businesses at Brooks County High School--facilities for a swine farm and a 6,500-square-foot child development center. Since then, the construction unit has been involved in community and public service projects, such as a community baseball field, a show barn for county fairs, and the installation of post office boxes at public housing sites. The construction unit has also participated in the city beautification program. Currently, 10 to 12 students are involved in the construction unit.

Brooks High School students and staff do not plan to have any of the businesses spin off. Instead, the businesses are used to train and/or license students in vocational and entrepreneurial skills. Upon graduation, some of these students set up businesses of their own.

Swine Breeding Farm
Brooks County High School

Location: Quitman, Georgia, is in Brooks County, a predominantly rural, racially mixed, impoverished county.

Description: Business supplying feeder pigs to local farmers.

Date of Program Start: 1979 **Business Start-up:** 1980

Financing: (not applicable)

Current Status: School retained control of the business, which it has now closed.

Notes: The swine breeding farm was designed as a learning center, as well as a commercial supplier of feeder pigs to local farmers. A computerized hog management program was taught to students and area farmers. However, the farm has now been closed, and the school plans to use the facilities to start a new project aimed at upgrading the area's breeder stock.

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The Georgia History Miniature Golf Course
Social Circle High School

Location: Social Circle, Georgia, is a small town currently suffering from high unemployment due to the closing of the Social Circle Textile Mill in 1986.

Description: Miniature golf course at a nearby state park.

Date of Program Start: January 1988 **Business Start-up:** None

Financing:

$15,000 grant: Title III Perkins Vocational Education Act.
$ 8,000 contract: Southeastern Educational Improvement Laboratory.

Current Status: The business was abandoned when the school changed administration.

Notes: In the spring of 1989, 28 students conducted a survey of approximately 20 community members and 60 students. They found that the greatest need was for new recreational facilities at Hard Labor Creek State Park. The students then contracted for a concessionaire agreement with the state, designed an 18-hole miniature golf course, and got bids for the cement work.

Unfortunately for the students, there was a change of administration in the school in the spring semester of 1990. The incoming administration was not interested in continuing the school-based enterprise program, and the program was ended without input from the students. Georgia REAL Enterprises may try the concept of a miniature golf course at another school.

The entrepreneurship course was run as a part of the "Stay in School" plan. Students were recruited for the class to combine students regarded as at high risk for dropping out with students judged to have high leadership potential. Paul DeLargy, of Georgia REAL Enterprises, feels that the composition of the class worked well to keep all students active and should be tried in other schools.

South Carolina

All sites in South Carolina are currently in the planning stages. All schools have finished their community assessments and are now working on business plans. Students at Battery Creek High School have received a contract for $8,000, and students at Ridge Spring-Monetta have received a contract for $4,000, both from the Southeastern Educational Improvement Laboratory. As of May 1990, no other groups had any funding. Battery Creek, Timmonsville, and Walterboro are the closest to start-up.

Battery Creek High School in Burton, SC:
7 students are planning a shoe repair business.

Beaufort High School in Beaufort, SC:
16 students are planning an athletic shoe store.

Estill High School in Estill, SC:
7 students are planning a bakery.

Lee County Vocational School in Bishopville, SC:
18 students are planning a discount fabric shop.

Lexington Vocational School in Lexington, SC:
4 students are planning a plastics manufacturing business.

Central High School in Pageland, SC:
12 students are considering three alternative enterprises: an auto body repair, a junior-line clothing store, and a drop-off day-care center.

Ridge Spring-Monetta High School in Aiken County, SC:
22 students are considering four alternative enterprises: a restaurant-diner, a child-care facility, a hair care supply shop, and a children's clothing store.

Silver Bluff High School in Aiken, SC:
23 students are considering three enterprises: an ice cream/bakery shop, a hunting and sporting goods store, and a child-care center.

Timmonsville High School in Timmonsville, SC:
21 students are planning a fast-food restaurant, plus video arcade.

Wagener-Salley High School in Wagener, SC:
11 students are considering two alternative enterprises: a maid service or a small engine repair (i.e., lawn mower engines).

Walterboro High School in Walterboro, SC:
21 students are considering two alternative businesses: an ice cream parlor or a record store.

York High School in York, SC:
7 students are planning a contract sewing business.